

INVESTMENT DEDUCTION

The Investment Deduction is effective January 1, 2006.

IC 6-1.1-12-4 and 50 IAC 22 spells out the requirements for the Investment as follows:

The purpose of this deduction is to provide a deduction from assessment for a property owner that develops, redevelops or rehabilitates property, creates or retains employment. This deduction is first available in the year in which the increase in assessed values resulting from the development, redevelopment or rehabilitation occurs and continues for the following two (2) years. The amount of deduction equals the lesser of Two Million Dollars or the product of the increase in assessed value multiplied by the following:

<u>Year of Deduction</u>	<u>Percentage</u>
1st	75%
2nd	50%
3rd	25%

The property owner that qualifies for the deduction must file a notice to claim the deduction on Form RPID-1 (real property) or PPID-1 (personal property). The forms must be filed by May 10 of each year or within thirty (30) days of receipt of a notice of assessment. The personal property form must be filed with the personal property tax return.

IC 6-1.1-12.4-4

A property Owner may not receive a deduction with respect to real property or personal property located in an allocation area (TIF)

IC 6-1.1-12.4-3

The deduction does not apply to a facility listed below:

Private or commercial golf course

Country club

Massage parlor

Tennis club

Skating facility

Racquet sport facility

Hot tub facility

Suntan facility

Racetrack

Facilities with a primary purpose of retail food and beverages, automobile sales or service or other retail

Residential, unless multifamily that contains at least twenty percent (20%) of units available for use by low and moderate income individuals

Property owners may not receive other deductions for development, redevelopment or rehabilitation in the same year.

Township Assessors may hold a hearing to determine if the property owner is retaining or creating jobs. The Township Assessor must then send by certified mail the determination of said of said hearing. The property owner can then appeal that decision with the Clerk of the Circuit or Superior Court.